



# Introduction to the EBA study on cost of compliance with supervisory reporting requirements

July 2020

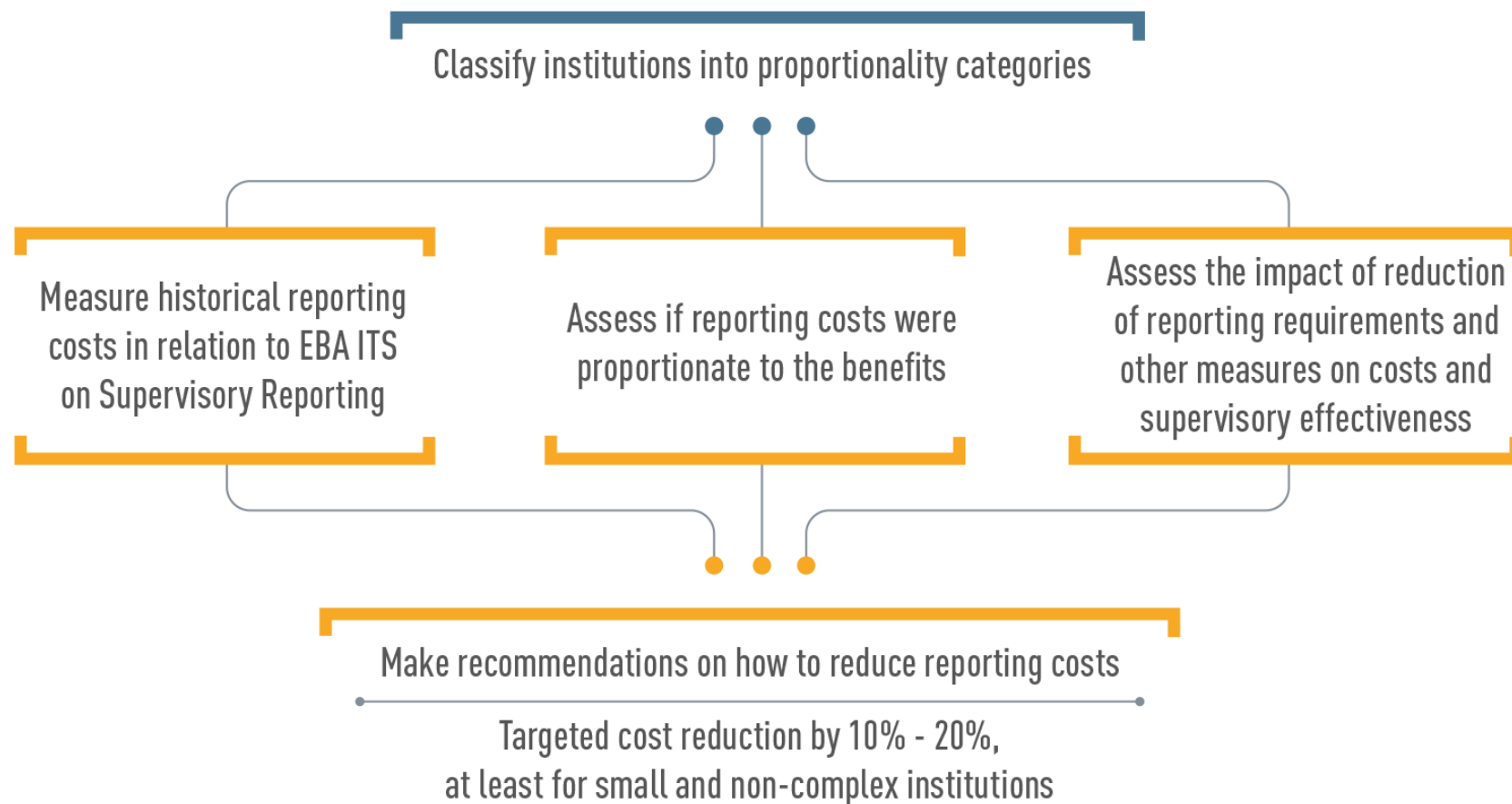
# Background

- Proportionality is an important aspect for the EBA to take into account when developing the Single Rulebook
- Supervisory reporting and the costs borne by institutions for the compliance with the reporting obligations is often cited by the industry as the important element of the overall compliance cost, warranting special consideration of proportionality aspects
- The EBA has been working over the years to ensure proportionality in supervisory reporting, whilst ensuring that competent and resolution authorities have all necessary information and data on the institutions to perform their tasks
- The EBA work on proportionality in supervisory reporting has been reinforced by specific mandate in the revised Capital Requirements Regulation (CRR): Article 430(8) of the CRR asks the EBA to perform a study of the institutions' costs of compliance with the standardised supervisory reporting, and find ways to reduce such reporting costs primarily for small and non-complex institutions.
- The cost of compliance study represents one of several elements in the EBA's overall work on further enhancing the proportionality of the regulatory and supervisory frameworks
- In the area of reporting, EBA is working in parallel on a feasibility study on a consistent and integrated system for collecting statistical data, resolution data and prudential data ('feasibility study') → both studies have synergies and complement each other, and the EBA is capitalising on these synergies
- The information collected as part of the study will be also used by the EBA as evidence in other work aimed at improving reporting efficiency

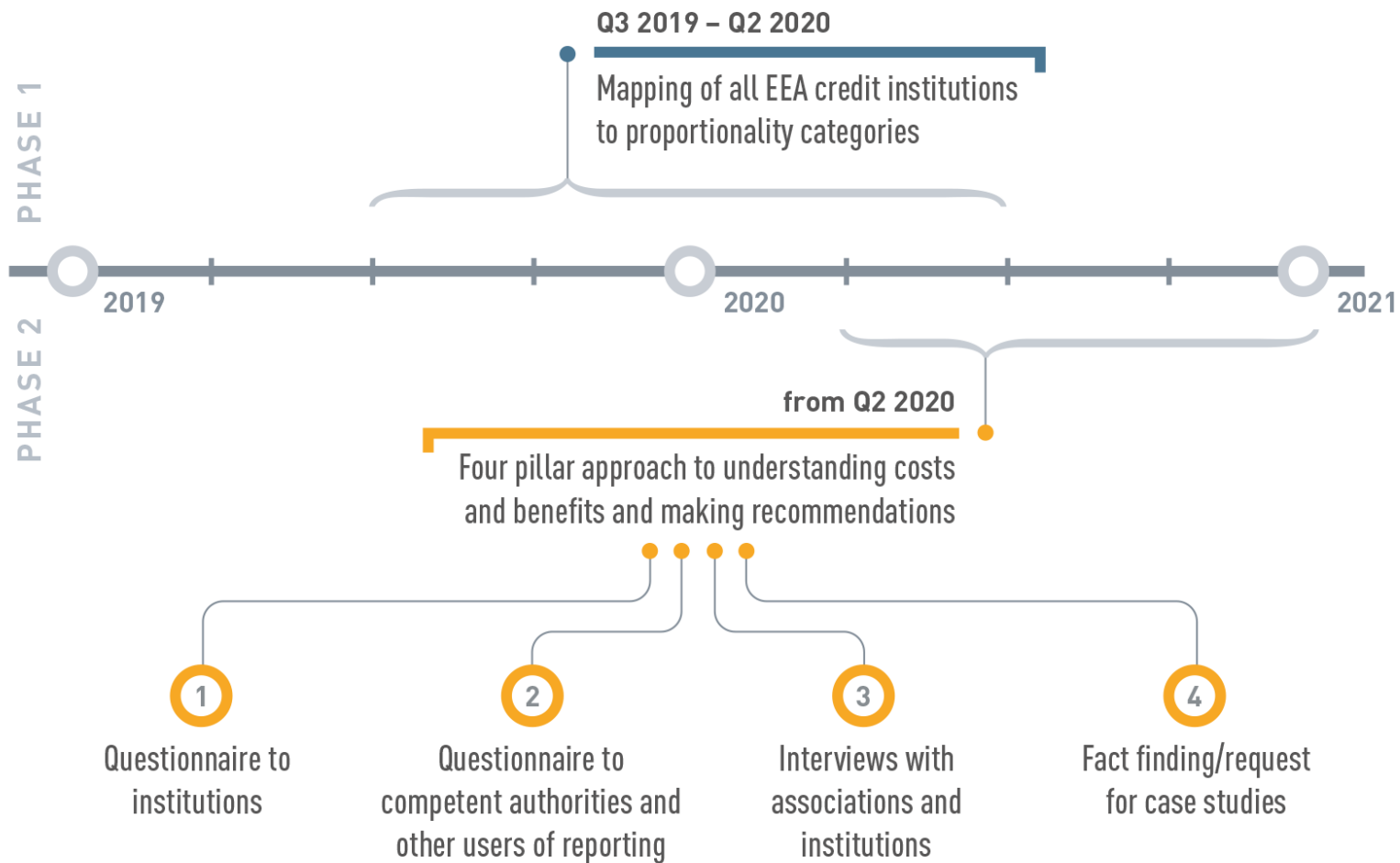
# EBA study on cost of compliance with supervisory reporting requirements:

understanding reporting costs and  
increasing the efficiency of the reporting requirements

# Mandate and objectives

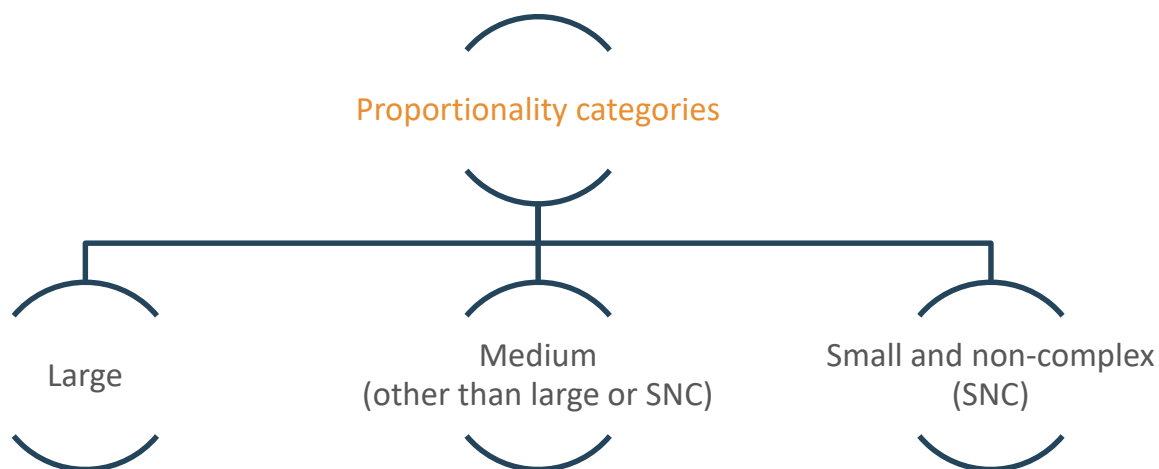


# Working methods



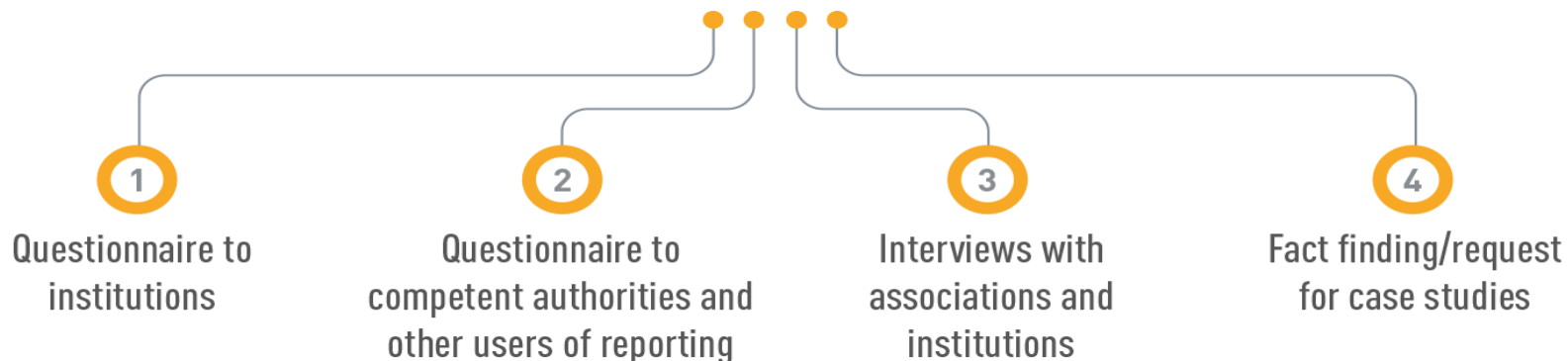
## Working methods: Phase 1

- The Objective was to map the entire population of the EEA credit institutions into the proportionality categories defined by the CRR, i.e. small and non-complex, large and other
- The work was being done with the EEA competent authorities based on already reported data, no involvement of the industry was necessary
- The results will of the mapping will not be published on a standalone basis and will be used in the study to inform Phase 2 planning and the assessment



# Working methods: Phase 2

To fulfil its mandate for this study, the EBA is planning to organise the Phase 2 the analytical work aimed at understanding reporting costs and benefits and making recommendation based on four components requiring interaction and contribution from the industry



Voluntary questionnaire open to all EEA credit institutions and their reporting service providers focusing on understanding reporting cost, challenging areas in the existing supervisory reporting framework, identifying options to reduce reporting costs, also by means of technology

Questionnaire to the public sector as the user of the supervisory reporting, focusing mostly on benefits of supervisory reporting

Follow up discussions based on the results of the questionnaire to institutions with selected sample of institutions and industry associations

Voluntary deep-dive case study analyses of practical examples or specific areas of reporting, to be provided by interested stakeholders

## Next steps





## Interaction with the stakeholders

- The EBA published draft questionnaire, specification for the case studies and various supporting and explanatory materials in June 2020 with a view of getting industry views
- Altogether the EBA received feedback from major EU-level and 10 national industry trade bodies
- The final questionnaires and the timelines have been adjusted to reflect the industry feedback

Should you have any questions regarding the study and/or questionnaires, please:

- Contact your competent authority with institution-specific questions
- Contact [cost.of.compliance@eba.europa.eu](mailto:cost.of.compliance@eba.europa.eu) with general inquiries
- Follow the dedicated website (<https://eba.europa.eu/regulation-and-policy/supervisory-reporting/cost-compliance-supervisory-reporting>) where the EBA will be publishing answers to frequently asked questions

**Thank you for your participation in the study  
and for your responses!**



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